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SETTLEMENT AGREEMENT AND MUTUAL RELEASE

The parties to this Settlement Agreement and Mutual Release ("Agreement"), as defined below, have settled certain claims currently pending in, or relating to, or which involve the matters that are the subject of the consolidated lawsuit entitled *In re University Place/Idaho Water Center Litigation*, Cause No. CV-OC-0405740-D. They have hereby agreed as follows:

A. Parties: The term "Parties" in this Agreement shall refer to the following entities and/or individuals:

1. University of Idaho, through its Board of Regents ("UI")
2. University of Idaho Foundation ("Foundation")
3. Givens Pursley LLP, an Idaho limited partnership ("Givens Pursley")
4. L. Edward Miller, individually, and his marital community ("Miller")
5. Franklin G. Lee, individually, and his marital community ("Lee")
6. Roy L. Eiguren, individually, and his marital community ("Eiguren")
7. Elam & Burke, a Professional Association ("Elam & Burke")
8. Ryan Armbruster, individually, and his marital community ("Armbruster")
9. Attorneys Liability Protection Society, Inc., A Risk Retention Group ("ALPS")
10. Robert Hoover ("Hoover")
11. Jerry Wallace, individually, and the marital community of Jerry and Cheryl Wallace ("Wallace")
12. Great American Insurance Companies ("Great American"), fidelity insurer for the UI and the Foundation
13. Philadelphia Indemnity Insurance Company ("Philadelphia"), the director's and officer's insurer for the Foundation
14. Lawrence Wasden, the Idaho State Attorney General ("the Attorney General"), on behalf of the Consolidated Investment Trust ("CIT") and its beneficiaries
15. State of Idaho Risk Management Program
16. University of Idaho as third party defendant (also "UI")

B. Creation of University Place/Idaho Water Center Project Settlement Fund: The Parties agree that within five (5) business days of the execution of this Agreement by all parties, the UI and the Foundation shall open an interest-bearing escrow account with an escrow company or banking institution which has agreed to act as escrow agent for the Settlement Fund, the identification of which shall be communicated to counsel for the Parties as soon as practicable thereafter.

C. Identity of Contributing Parties: The following Parties shall make contributions to the Settlement Fund and shall be known herein as the "Contributing Parties:" the Foundation, ALPS, State of Idaho Risk Management Program, Great American and Philadelphia. Immediately upon execution of this Agreement, each Contributing Party shall provide a taxpayer identification number to the escrow agent for its use in establishing and managing the escrow account.

D. Deposit Into Settlement Fund Account: The Parties agree that the total sum of $8.3 million will be deposited into the escrow account. The Foundation shall deposit $2.5 million. The remaining Contributing Parties shall deposit $5.8 million. Each Contributing Party shall make its respective deposit no later than thirty (30) calendar days from the date it executes this Agreement.

a. The amount to be contributed by the Contributing Parties to this Agreement other than the Foundation and the State of Idaho Risk Management Program are not known to the UI, the Foundation, or the Attorney General, but is the subject of a separate, confidential agreement between certain of the Contributing Parties.

b. Once the escrow account is opened, counsel for UI or counsel for the Foundation shall notify all Contributing Parties of the manner in which deposits into the account should be made, including the identity of the payee, and the escrow account location, account number, and routing number.

c. The Contributing Parties shall provide written notice of their individual payment into the Settlement Fund to Judge Terence Lukens (Ret.) within 24 hours of the making of the deposit.

d. In the event that the full $8.3 million is not deposited within the 30 calendar days, the funds on deposit will remain in the escrow account and shall not be disbursed until such time that the full amount has been deposited. Any interest that accrues on funds on deposit in the escrow account shall be paid out pursuant to paragraphs F., G., and H., below.

e. Any escrow fees shall be paid from the proceeds of the Settlement Fund. In the event the Settlement Fund is insufficient to cover payments called for in paragraphs G. and H., below, the unpaid escrow fees shall be pro rated among all Contributing Parties based on each party's contribution to the Settlement Funds.

E. Escrow Instructions: The UI shall prepare, and the Foundation and the Attorney General shall approve, escrow instructions for the disbursement of the Settlement Funds. These escrow instructions shall be finalized and distributed to all Parties within five (5) days of the date of this Agreement. The Party creating or opening the escrow account shall take reasonable steps to assure that the amounts being deposited by any of the Contributing Parties remain confidential, and, to the extent permitted by law, not subject to public disclosure.

F. Extinguishment of Consolidated Investment Trust Debt: The Parties agree that, upon receipt of the $8.3 million, the escrow agent shall disburse sufficient funds from the Settlement Fund to pay off the remaining principal and accrued but unpaid interest owing to the CIT as of the date of the payment, in a manner specified in the escrow instructions.

G. Payment to UI: The Parties agree that, upon receipt of the $8.3 million, the escrow agent shall disburse the sum of $2.5 million to the UI, in a manner specified in the escrow instructions.

H. Payment to Foundation: The Parties agree that if any funds remain in the escrow account, after payment of any reasonable escrow fees and the amounts required by Paragraphs F. and G., any remaining funds shall be disbursed to the Foundation, in a manner specified in the escrow instructions.

I. Termination of Settlement Fund Account: Upon the complete disbursement of the Settlement Funds, the escrow agent shall be instructed by UI, the Foundation, and the Attorney General, to close the escrow account.

J. Reimbursement of Foundation Legal Fees and Costs by Philadelphia: Within fifteen (15) calendar days of the execution of this Agreement, Philadelphia shall pay directly to the Foundation the sum of $277,000 in settlement of all existing claims for reimbursement of legal fees and costs the Foundation may have under Philadelphia Indemnity Insurance Company Policy Nos. PHSD034149 and PHSD057201 arising from the *In re University Place/Idaho Water Center Litigation*, the Attorney General's claim against the Foundation and its directors and officers, and/or the Foundation's claims against the Civic Entities and the Civic Entities' cross-claims against the Foundation.

K. Release of Liability: In consideration for the promises set forth herein, including the dismissal of all pending claims as between any Parties to this Agreement, all of the Parties, and their parents, affiliates, divisions, subsidiaries, shareholders, partners, officers, directors, employees, representatives, volunteers, insurers, and agents, hereby release each and every other Party, and their parents, affiliates, divisions, subsidiaries, shareholders, partners, officers, directors, employees, representatives, volunteers, insurers, and agents, from any and all claims, demands, damages, losses, attorney fees, or litigation costs, arising out of or relating to the project known as the University Place/Idaho Water Center project. This release extends to all claims of any kind, whether presently known or unknown, which were or could have been asserted in *In re University Place/Idaho Water Center Litigation*, Cause No. CV-OC-0405740-D. This release specifically includes any and all claims in the nature of indemnity, contribution, or subrogation.

This release is not intended to extend, and does not extend, to any claims currently being prosecuted by the Foundation, or which may be prosecuted by the Foundation, against Civic Partners, Inc., Civic Partners West, LLC, or Civic Partners Idaho, LLC ("Civic Entities"), or against Capital City Development Corporation ("CCDC"). In no way does this release affect or impair the Foundation's legal rights against the Civic Entities or CCDC.

This release is not intended to extend, and does not extend, to any written and executed contracts between the UI and the Foundation relating to the project known as the University Place/Idaho Water Center Project, including the "Divestiture and Acquisition Agreement" among UI, the University, and the

United States of America acting by and through the Forest Service of the Department of Agriculture.

L. Policyholder's Release to Philadelphia: The Foundation, Eiguren, Wallace and Hoover agree that the release set forth in paragraph K. shall constitute (a) a full and complete release of any further liability whatsoever, whether contractual or non-contractual, that Philadelphia may have under Policy No. PHSD034149; and (b) a full and complete release of any further liability, whether contractual or non-contractual, that Philadelphia may have under Policy No. PHSD057201 in relation to matters that are the subject of this Agreement and/or any liability with respect to the Civic Entities or CCDC. In addition, the Foundation shall endeavor to obtain a signed policyholder release from each other officer, director or volunteer against whom the Attorney General asserted a claim in his June 29, 2004 demand letter, on the form attached hereto as Attachment A. To the extent any officer, director or volunteer (other than Eiguren, Wallace or Hoover) does not execute a policyholder release, the Foundation shall indemnify and hold Philadelphia harmless from any claim for coverage by the non-releasing officer, director or volunteer. The Foundation shall provide copies of any executed releases to Philadelphia.

M. Agency Account Notes or Extension Agreements: Upon receipt of the $2.5 million from the escrow account, the UI shall cancel all agency account notes and extension agreements relating to any agency account notes that may exist between the UI and the Foundation.

N. Dismissal of Claims: Upon the execution of this Agreement by all Parties, the Parties shall stipulate to an order dismissing with prejudice, without costs, disbursements or attorney fees awarded to any of the Parties, all claims, cross claims, counter claims, and third party claims against the Parties to this Agreement, in the form set out in Attachment B. No claims against the Civic Entities or CCDC shall be dismissed.

O. No Admission of Liability: The Parties understand that this Agreement represents a settlement and compromise of all disputed claims, counter-claims, cross-claims, third party claims, and defenses. It is understood and agreed that the acts done and evidenced by this Agreement and the release obtained hereunder are not an admission of liability on the part of any Party by whom liability has been and is expressly denied. Except as specifically provided for in Paragraph J. above, each Party shall bear their own legal fees and expenses arising out of the settled litigation or disputes.

P. Authorization to Execute Agreement: Each Party hereto represents that it has obtained the necessary authorization, or is individually authorized, to execute this Agreement. No Party hereto may challenge its validity based on an assertion that the person signing the document lacked authorization to enter into the Agreement.

Q. Public Nature of Settlement Agreement: The Parties hereto understand that, upon execution of this document by the UI and/or the Regents, it will become a

publicly available document. The Parties agree that the amount contributed to the Settlement Fund by any Contributing Party (other than the Foundation) has not been disclosed to the Foundation, the UI, or the Attorney General. To the extent permitted by law, this information shall remain confidential. The Parties understand and agree that this Agreement and the total amount of the Settlement Fund may be publicly disclosed.

R. Public Announcement of Settlement Agreement: The Parties agree that the only press release any of the Parties shall issue regarding the Settlement Agreement shall be in the form attached hereto as Attachment C. Any Party hereto may respond to press inquiries in a manner that is consistent with the terms of the Settlement Agreement and the contents of the press release

S. Advice of Counsel: Each Party acknowledges that he, she or it has been encouraged to and has sought advice of counsel with respect to this Agreement and that it, he or she understands its provisions and enters into the Agreement freely and upon the advice of counsel.

T. Entire Agreement: This Agreement, in addition to any separate, written and signed agreements between and among the various Contributing Parties or between the UI and the Foundation, contain the entire agreement and understanding between the Parties and supersede and replace all prior negotiations, requests, demands and proposals, written or oral, between the Parties hereto.

U. Severability: Except for the obligation of the Contributing Parties to make payments into the escrow account as set out above, every provision of this Agreement is intended to be severable. In the event any term or provision of this Agreement is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity should not affect the balance of the terms and provisions of the Agreement, which terms and provisions shall remain binding and enforceable.

V. Dispute Resolution: The Parties agree to submit any dispute regarding this Agreement, including a claim for breach by any Party, including any claim that a Contributing Party has failed to make an agreed-upon contribution to the Settlement Fund, to Judge Lukens for final, decision by binding arbitration. Arbitration shall be the sole remedy to enforce this Agreement. Any arbitration award issued by Judge Lukens shall be final, binding and subject to confirmation under the Federal Arbitration Act. Judge Lukens' fees and costs associated with any arbitration shall be borne by the party against whom the arbitration award is entered.

W. Remedies: The sole remedy for breach of an obligation in this agreement is a claim for the relief agreed to herein. No breach of an obligation entitles any party to reassert any claim, cross-claim, counter-claim, or third party claim, or file a new civil action, seeking all or some of the relief sought in, or of the nature sought in, *In re University Place/Idaho Water Center Litigation*, Cause No. CV-

OC-0405740-D. Nor does any breach entitle any non-party to that litigation to assert any claim other than one to enforce the terms of this Agreement.

X. Award of Legal Fees and Costs: In the event arbitration before Judge Lukens is held to resolve any disputes arising out of this Agreement, the prevailing party shall be entitled to recover reasonable legal fees and costs. In the event a Contributing Party fails to make an agreed-upon contribution to the Settlement Fund, the failure of which causes legal fees or costs to be incurred by any other Party to this Agreement, these parties shall be entitled to an award of such legal fees and costs from Judge Lukens.

Y. Notice: Whenever notice is required by the terms of this Agreement, it may be sent by email, facsimile, or United States Mail to the following persons representing the following parties:

University of Idaho:

Bruce Rubin
Miller Nash LLP
111 S.W. Fifth Avenue
3400 U.S. Bancorp Tower
Portland, Oregon 97204
Phone: (503) 205-2447
Fax: (503) 205-8579
Email: bruce.rubin@millernash.com

University of Idaho:

Sharyl Kammerzell
Office of General Counsel
University of Idaho
P.O. Box 443158
Moscow, Idaho 83844-3158
Phone: (208) 885-6125
Fax: (208) 885-8931
Email: sharyl@uidaho.edu

University of Idaho:

Joshua Johnson
Racine, Olson, Nye, Budge & Bailey, Chtd.
101 South Capitol Blvd
Suite Number 208
Boise, Idaho 83702
Phone: (208) 395-0011
Fax: (208) 433-0167
Email: jdj@racinelaw.net

University of Idaho Foundation:

Beth M. Andrus
Skellenger Bender, P.S.
1301 Fifth Avenue, Suite 3401
Seattle, Washington 98101
Phone: (206) 623-6501
Fax: (206) 447-1973
Email: bandrus@skellengerbender.com

Givens Pursley, LLP; L. Edward Miller & his marital community; Franklin G. Lee & his marital community:

John J. Janis
Hepworth, Lezamiz, Janis
537 West Bannock
Post Office Box 2582
Boise, Idaho 83701
Phone: (208) 343-7510
Fax: (208) 342-2927
Email: johnjanis@aol.com

Givens Pursley, LLP; L. Edward Miller & his marital community; Franklin G. Lee & his marital community:

Bradley Keller
Byrnes & Keller, LLP
1000 Second Ave, 38th Floor
Seattle, Washington 98104
Phone: (206) 622-2000
Fax: (206) 622-2522
Email: bkeller@byrneskeller.com

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Givens Pursley, LLP; L. Edward Miller & his marital community; Franklin G. Lee & his marital community:

David R. Lombardi
Givens Pursley LLP
601 W. Bannock St.
P.O. Box 2720
Boise, Idaho 83701
Phone: (208) 388-1200
Fax: (208) 338-1300

Roy L. Eiguren:

David R. Lombardi
Givens Pursley LLP
601 W. Bannock St.
P.O. Box 2720
Boise, ID 83701
Phone: (208) 388-1200
Fax: (208) 338-1300

ALPS:

Mr. Jim N. Mickelson
Claims Attorney
Attorneys Liability Protection Society
PO Box 9169
Missoula, MT 59807-9169
Phone: (800) 367-2577
Fax: (406) 728-7416
Email: jmickelson@alpsnet.com

Jerry Wallace:

David W. (Tony) Cantrill
Cantrill, Skinner, Sullivan & King LLP
Post Office Box 359
143 Tyrell Lane
Boise, Idaho 83701-0359
Phone: (208)344-8035
Fax: (208)345-7212
Email: cantrill@cssklaw.com

Defendants Elam & Burke; Ryan Armbruster & his marital community:

Mark Wagner
Hoffman Hart & Wagner LLP
1000 S.W. Broadway, Suite 2000
Portland, Oregon 97205
Phone: (503) 222-4499
Fax: (503) 222-2301
Email: mhw@hhw.com

Roy L. Eiguren:

C. Timothy Hopkins
Hopkins Roden Crockett
Hansen & Hoopes, PLLC
428 Park Avenue
Salisbury Building
Idaho Falls, Idaho 83402
Phone: (208) 523-4445
Fax: (208) 523-4474
Email: tim@hrchh.com

ALPS:

Ms. Stacey Smith
Claims Attorney/Risk Manager
Attorneys Liability Protection Society
PO Box 9169
Missoula, MT 59807-9169
Phone: (800) 367-2577
Fax: (406) 728-7416
Email: ssmith@alpsnet.com

Robert Hoover:

Michael E. Kelly
Howard Lopez & Kelly PLLC
1100 Key Financial Center
702 West Idaho Street
Boise, Idaho 83701
Phone: (208) 342-4300
Fax: (208) 342-4344
Email: mek@idahodefense.com

Defendants Elam & Burke; Ryan Armbruster & his marital community:

Richard C. Fields
Moffatt, Thomas, Barrett, Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
Boise, Idaho 83701
Phone: 208-345-2000
Fax: 208-385-5384
Email: rcf@moffatt.com

Great American Insurance Companies:

F. Joseph Nealon
Ballard Spahr Andrews & Ingersoll LLP
601 13th Street NW, Suite 1000 South
Washington DC 20005-3807
Phone: (202) 661-2201
Fax: (202) 661-2299
Email: nealon@ballardspahr.com

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Philadelphia Indemnity Insurance Company:

Martin J. O'Leary
Sedgwick Detert Moran & Arnold LLP
One Market, Steuart Tower, Suite 800
San Francisco, California 94105
Phone: (415) 627-1463
Fax: (415) 781-2635
Email: martin.oleary@sdma.com

Lawrence Wasden, the Idaho State Attorney General:

Michael G. McPeek
Deputy Attorney General, Civil Litigation Division
P.O. Box 83720
650 West State
Boise, Idaho 83720-0010
Phone: (208) 332-3098
Fax: (208) 334-2830
Email: michael.mcpeek@ag.idaho.gov

State of Idaho Risk Management Program

Kit Coffin
Risk Management Operations Supervisor
Office of Insurance Management
Department of Administration
State of Idaho
650 W. State Street, Room 100
Post Office Box Number 83720
Boise, Idaho 83720
Phone: (208) 332-1860

Z. Signatures: To facilitate the efficient execution of this Agreement, the signatures can be obtained utilizing counterparts and faxes.

The foregoing is hereby accepted and approved by the Parties to this Agreement as signified by the signatures below.

SIGNATURES

UNIVERSITY OF IDAHO FOUNDATION, INC.

By:_____

Title:_____

Date:_____

and

By:_____
Beth M. Andrus
Counsel to University of Idaho Foundation, Inc.

Date:_____

UNIVERSITY OF IDAHO, by and through its Regents

By: _____

Title:_____

Date:_____

and

By:_____
Bruce Rubin
Counsel to University of Idaho

Date:_____

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and

By:_____
Joshua D. Johnson
Special Deputy Attorney General for University of Idaho

Date:_____

GIVENS PURSLEY, LLP

By:_____

Title:_____

Date:_____

and

By:_____
Bradley Keller
Counsel for Givens Pursley, LLP

Date:_____

and

By:_____
John J. Janis
Counsel for Givens Pursley, LLP

Date:_____

L. EDWARD MILLER and his marital community

By: _____
L. Edward Miller

Date:_____

and

By:_____
Bradley Keller
Counsel for L. Edward Miller & his marital community

Date:_____

By:_____
John J. Janis
Counsel for L. Edward Miller & his marital community

Date:_____

ROY L. EIGUREN and his marital community

By: _____
Roy L. Eiguren

Date:_____

and

By:_____
Timothy Hopkins
Counsel for Roy Eiguren & his marital Community

Date:_____

FRANKLIN G. LEE and his marital community

By: _____
Franklin G. Lee

Date:_____

and

By:_____
John J. Janis
Counsel for Franklin G. Lee & his marital Community

Date:_____

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ELAM & BURKE, A Professional Association

By: _____

Title: _____

Date: _____

and

By: _____
Richard C. Fields
Counsel for Elam & Burke

Date: _____

and

By: _____
Mark Wagner
Counsel for Elam & Burke

Date: _____

RYAN ARMBRUSTER and his marital community

By: _____

Date: _____

and

By: _____
Richard C. Fields
Counsel for Ryan Armbruster and his marital community

Date: _____

and

By: _____
Mark Wagner
Counsel for Ryan Armbruster and his marital community

Date: _____

JERRY WALLACE & his marital community of Jerry and Cheryl Wallace

By: _____
Jerry Wallace
Date: _____

and

By: _____
David W. (Tony) Cantrill
Counsel for Jerry Wallace & his marital Community

Date: _____

ROBERT HOOVER

By: _____
Robert Hoover
Date: _____

and

By: _____
Michael E. Kelly
Special Deputy Attorney General for Robert Hoover

Date: _____

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GREAT AMERICAN INSURANCE COMPANIES

By:_____

Title:_____

Date:_____

and

By: _____
F. Joseph Nealon
Counsel for Great American Insurance Companies

Date:_____

ATTORNEYS LIABILITY PROTECTION SOCIETY, INC., A RISK RETENTION GROUP

By:_____

Title:_____

Date:_____

STATE OF IDAHO RISK MANAGEMENT PROGRAM

By: _____

Title: _____

Date: _____

PHILADELPHIA INDEMNITY INSURANCE COMPANY

By:_____

Title:_____

Date:_____

and

By:_____
Martin O'Leary
Counsel to Philadelphia Indemnity Insurance Company

Date:_____

LAWRENCE WASDEN, ATTORNEY GENERAL OF THE STATE OF IDAHO, on behalf of the Consolidated Investment Trust and its beneficiaries

By:_____
Sherman F. Furey III
Chief Deputy

Date:_____

and

By:_____
Michael G. McPeek
Deputy Attorney General
Civil Litigation Division

Date:_____

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ATTACHMENT A

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ATTACHMENT A

POLICYHOLDER RELEASE OF LIABILITY
TO PHILADELPHIA INSURANCE COMPANY

1. On or about June 29, 2004, Lawrence Wasden, the Attorney General of the State of Idaho, provided the University of Idaho Foundation, Inc. with a written claim against the Foundation, its directors during the years 2001-2003, and the Foundation Investment Committee during 2001, for alleged acts or omissions resulting in injury to the Consolidated Investment Trust (CIT) and the beneficiaries of restricted assets in a Paine Webber brokerage account held by the Foundation.

2. I, _____ (insert name), was either a member of the Foundation's board of directors between 2001 and 2003 or was a member of the Foundation's Investment Committee during 2001.

3. On or about July 7, 2004, I received notice of this claim from counsel for the Foundation.

4. I understand that the Foundation tendered the Attorney General's claim to the Foundation's Officer's and Director's Liability Carrier, Philadelphia Indemnity Insurance Company, under Policy Nos. PHSD034149 and/or PHSD057201.

5. On or about _____, 2006, I received notice of the Settlement Agreement reached by and between the Attorney General, the Foundation, and Philadelphia Indemnity Insurance Company.

6. As a part of the Settlement Agreement, I understand that, in exchange for the extinguishment of the Consolidated Investment Trust debt, the Attorney General has released any and all claims against the Foundation and against me, personally, arising out of the University Place/Idaho Water Center Project Litigation. I further understand that Philadelphia Indemnity Insurance Company has participated in the settlement and has agreed to make a contribution to the settlement fund that will be used to pay off the CIT debt.

7. Based on this understanding, I hereby release Philadelphia Indemnity Insurance Company (and its parents, subsidiaries, divisions, affiliates, directors, officers, employees, attorneys and reinsurers) from any further liability to me under Policy Nos. PHSD034149 and PHSD057201 with respect to matters which are the subject of the Attorney General's claim.

Name: _____

Dated: _____

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ATTACHMENT B

Final Signature Version

Beth M. Andrus, ISB No. 6971
Email: bandrus@skellengerbender.com
Kara R. Masters, ISB No. 7321
Email: kmasters@skellengerbender.com
SKELLENGER BENDER, P.S.
1301 Fifth Avenue, Suite 3401
Seattle, Washington 98101-2605
206-623-6501
206-447-1973 (fax)
Attorneys for Plaintiff,
University of Idaho Foundation, Inc.

IN THE DISTRICT COURT FOR THE FOURTH JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

In Re UNIVERSITYPLACE/IDAHO WATER CENTER PROJECT	CASE NO. CV OC 0405740 D STIPULATED MOTION FOR VOLUNTARY DISMISSAL OF CERTAIN CLAIMS, COUNTER-CLAIMS, CROSS-CLAIMS AND THIRD PARTY CLAIMS

STIPULATED MOTION

Plaintiff University of Idaho Foundation, Inc., plaintiff University of Idaho by and through its Regents, defendants Givens Pursley LLP, Roy L. Eiguren, individually and his marital community, L. Edward Miller, individually and his marital community, and Franklin G. Lee, individually and his marital community, defendants Elam & Burke and Ryan Armbruster, individually and his marital community, third party defendant Robert Hoover, third party defendant Jerry Wallace, individually and his marital community, and defendant Great American Insurance Company hereby stipulate to the entry of an order of voluntary dismissal as to any and all claims currently pending against, between, or among these specifically named parties. This motion does not affect pending claims against or asserted by Civic Partners, Inc., Civic Partners

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West, LLC, or Civic Partners Idaho, LLC ("Civic Entities"), against or asserted by Capital City Development Corporation ("CCDC").

A stipulated proposed order accompanies this motion as Exhibit A.

The foregoing is hereby stipulated by:

Beth M Andrus

Beth M. Andrus, ISBA No. 6971
Counsel for University of Idaho Foundation, Inc.
Dated: March 28, 2006

Bruce Rubin, ISBA No. 6886
Kevin Koliner, *Pro Hac Vice*
Counsel for University of Idaho
Dated: _____

Joshua D. Johnson, ISBA No. 7019
Special Deputy Attorney General for University of Idaho
Dated: _____

Michael E. Kelly, ISBA No. 4351
Special Deputy Attorney General for Robert Hoover
Dated: _____

Bradley Keller, *Pro Hac Vice*
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the martial community of Franklin & Jane Doe Lee
Dated: _____

John J. Janis, ISBA No. 3599
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the marital community of Franklin & Jane Doe Lee
Dated: _____

Richard C. Fields, ISBA No. 1096
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community
Dated: _____

Mark Wagner, *Pro Hac Vice*
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community
Dated: _____

David W. (Tony) Cantrill, ISBA No. 1291
Counsel for Third Party Defendants Jerry & Cheryl Wallace
Dated: _____

Timothy Hopkins, ISBA No. 1064
Counsel for Defendants Roy Eiguren & the marital community of Roy Eiguren & Jane Doe Eiguren

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West, LLC, or Civic Partners Idaho, LLC ("Civic Entities"), against or asserted by Capital City Development Corporation ("CCDC").

A stipulated proposed order accompanies this motion as Exhibit A.

The foregoing is hereby stipulated by:

_____	_____
Beth M. Andrus, ISBA No. 6971 Counsel for University of Idaho Foundation, Inc. Dated: _____	Bruce Rubin, ISBA No. 6886 Kevin Koliner, *Pro Hac Vice* Counsel for University of Idaho Dated: 3/28/06
_____	_____
Joshua D. Johnson, ISBA No. 7019 Special Deputy Attorney General for University of Idaho Dated: _____	Michael E. Kelly, ISBA No. 4351 Special Deputy Attorney General for Robert Hoover Dated: _____
_____	_____
Bradley Keller, *Pro Hac Vice* Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the martial community of Franklin & Jane Doe Lee Dated: _____	John J. Janis, ISBA No. 3599 Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the marital community of Franklin & Jane Doe Lee Dated: _____
_____	_____
Richard C. Fields, ISBA No. 1096 Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community Dated: _____	Mark Wagner, *Pro Hac Vice* Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community Dated: _____
_____	_____
David W. (Tony) Cantrill, ISBA No. 1291 Counsel for Third Party Defendants Jerry & Cheryl Wallace Dated: _____	Timothy Hopkins, ISBA No. 1064 Counsel for Defendants Roy Eiguren & the marital community of Roy Eiguren & Jane Doe Eiguren

Final Signature Version

The foregoing is hereby stipulated by:

Beth M. Andrus, ISBA No. 6971
Counsel for University of Idaho Foundation, Inc.
Dated: _____

Bruce Rubin, ISBA No. 6886
Kevin Koliner, *Pro Hac Vice*
Counsel for University of Idaho
Dated: _____

Joshua D. Johnson, ISBA No. 7019
Special Deputy Attorney General for University of Idaho
Dated: _____

Michael E. Kelly, ISBA No. 4351
Special Deputy Attorney General for Robert Hoover
Dated: _____

Bradley Keller, *Pro Hac Vice*
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the martial community of Franklin & Jane Doe Lee
Dated: _____

John J. Janis, ISBA No. 3599
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the marital community of Franklin & Jane Doe Lee
Dated: _____

Richard C. Fields, ISBA No. 1096
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community
Dated: 3/28/06

Mark Wagner, *Pro Hac Vice*
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community
Dated: _____

David W. (Tony) Cantrill, ISBA No. 1291
Counsel for Third Party Defendants Jerry & Cheryl Wallace
Dated: _____

Timothy Hopkins, ISBA No. 1064
Counsel for Defendants Roy Eiguren & the marital community of Roy Eiguren & Jane Doe Eiguren
Dated: _____

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West, LLC, or Civic Partners Idaho, LLC ("Civic Entities"), against or asserted by Capital City Development Corporation ("CCDC").

A stipulated proposed order accompanies this motion as Exhibit A.

The foregoing is hereby stipulated by:

Beth M. Andrus, ISBA No. 6971
Counsel for University of Idaho Foundation, Inc.
Dated: _____

Bruce Rubin, ISBA No. 6886
Kevin Koliner, *Pro Hac Vice*
Counsel for University of Idaho
Dated: _____

Joshua D. Johnson, ISBA No. 7019
Special Deputy Attorney General for University of Idaho
Dated: _____

Michael E. Kelly, ISBA No. 4351
Special Deputy Attorney General for Robert Hoover
Dated: _____

Bradley Keller, *Pro Hac Vice*
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the martial community of Franklin & Jane Doe Lee
Dated: _____

John J. Janis, ISBA No. 3599
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the marital community of Franklin & Jane Doe Lee
Dated: _____

Richard C. Fields, ISBA No. 1096
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community
Dated: _____

Mark Wagner, *Pro Hac Vice*
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community
Dated: March 29, 2006

David W. (Tony) Cantrill, ISBA No. 1291
Counsel for Third Party Defendants Jerry & Cheryl Wallace
Dated: _____

Timothy Hopkins, ISBA No. 1064
Counsel for Defendants Roy Eiguren & the marital community of Roy Eiguren & Jane Doe Eiguren

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Dated: _____

_____

Rex Blackburn, ISBA No. 3170
Counsel for Great American Insurance Company
Dated: _____

_____

F. Joseph Nealon, *Pro Hac Vice*
Charles W. Chotvacs, *Pro Hac Vice*
Counsel for Great American Insurance Company
Dated: _____

AFFIDAVIT OF FILING/SERVICE

I HEREBY CERTIFY that on the ____ day of March, 2006, a true and correct copy of the foregoing notice was served on the following parties:

J. David Navarro Clerk of the Ada County District Court 200 West Front Street Boise, Idaho 83702-7300	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx
Counsel for Civic Partners, et al: J. Walter Sinclair Christopher Pooser Stoel Rives, LLP 101 S. Capitol Blvd., Suite 1900 Boise, Idaho 83702-5958	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for University of Idaho: Bruce Rubin Kevin Koliner Jerry Cummings Miller Nash LLP 111 S.W. Fifth Avenue 3400 U.S. Bancorp Tower Portland, Oregon 97204	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Special Deputy Attorney General for University of Idaho as third party defendant: Joshua D. Johnson Richard A. Hearn Racine, Olson, Nye, Budge & Bailey, Chtd. 101 South Capitol Boulevard Suite Number 208 Boise, Idaho 83702	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email

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Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the martial community of Franklin & Jane Doe Lee: Bradley Keller Byrnes & Keller, LLP 1000 Second Ave, 38th Floor Seattle, Washington 98104	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Defendants Givens Pursley, LLP; L. Edward Miller & the marital community of Edward & Jane Doe Miller; Franklin G. Lee & the marital community of Franklin & Jane Doe Lee: John J. Janis Hepworth, Lezamiz, Janis 537 West Bannock Boise, Idaho 83701	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Defendants Roy Eiguren & the marital community of Roy Eiguren and Jane Doe Eiguren: Timothy Hopkins Hopkins Roden Crockett Hansen & Hoopes, PLLC 428 Park Avenue Idaho Falls, Idaho 83402	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community: Mark Wagner Anne M. Mortland Hoffman Hart & Wagner LLP 1000 S.W. Broadway, Suite 2000 Portland, Oregon 97205	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Defendants Elam & Burke; Ryan Armbruster & his marital community: Richard C. Fields Tyler J. Anderson Moffatt, Thomas, Barrett, Rock & Fields, Chartered 101 S. Capitol Blvd., 10th Floor Boise, Idaho 83701	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email

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Counsel for Urban Renewal Agency of Boise City, Idaho, aka Capital City Development Corporation: Richard C. Boardman Brooke B. Bond Perkins Coie LLP 251 East Front Street Suite Number 400 Boise, Idaho 83702	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Third Party Defendants Jerry and Cheryl Wallace: David W. (Tony) Cantrill Cantrill, Skinner, Sullivan & King LLP 1423 Tyrell Lane P.O. Box 359 Boise, Idaho 83701	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Great American Insurance Company: Rex Blackburn Blackburn & Jones LLP 1673 West Shoreline Suite Number 200 Boise, Idaho 83702	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Counsel for Great American Insurance Company: F. Joseph Nealon Charles W. Chotvacs Ballard Spahr Andrews & Ingersoll LLP 601 13th Street NW, Suite 1000 South Washington D.C. 20005-3807	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email
Special Deputy Attorney General for Robert Hoover: Michael E. Kelly Howard Lopez & Kelly, PLLC 702 West Idaho Street, Suite 1100 Boise, Idaho 83701	[ ] Fax: _____ [ ] Messenger [ ] U.S. First Class Mail [ ] FedEx [ ] Email

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I declare under penalty of perjury under the laws of the State of Idaho that the foregoing is true and correct.

Signed this ___day of March, 2006, at Seattle, Washington.

_____
Beth M. Andrus, ISB No. 6971
Kara R. Masters, ISB No. 7321
SKELLENGER BENDER, P.S.
Attorneys for Plaintiff,
University of Idaho Foundation, Inc.

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EXHIBIT A

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Beth M. Andrus, ISB No. 6971
Email: bandrus@skellengerbender.com
Kara R. Masters, ISB No. 7321
Email: kmasters@skellengerbender.com
SKELLENGER BENDER, P.S.
1301 Fifth Avenue, Suite 3401
Seattle, Washington 98101-2605
206-623-6501
206-447-1973 (fax)
Attorneys for Plaintiff,
University of Idaho Foundation, Inc.

IN THE DISTRICT COURT FOR THE FOURTH JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

In Re UNIVERSITYPLACE/IDAHO WATER CENTER PROJECT	CASE NO. CV OC 0405740 D STIPULATED ORDER OF VOLUNTARY DISMISSAL OF CERTAIN CLAIMS, COUNTER-CLAIMS, CROSS-CLAIMS AND THIRD PARTY CLAIMS

Based on the parties' stipulated motion for voluntary dismissal of certain claims, counter-claims, cross-claims and third party claims, it is hereby ordered that any and all such claims currently asserted by, or pending against the following parties:

Plaintiff University of Idaho Foundation, Inc., plaintiff and third party defendant University of Idaho by and through its Regents, defendants Givens Pursley LLP, Roy L. Eiguren, individually and his marital community, L. Edward Miller, individually and his marital community, and Franklin G. Lee, individually and his marital community, defendants Elam & Burke and Ryan Armbruster, individually and his marital community, third party defendant Robert Hoover, third party defendant Jerry Wallace, individually and his marital community, and defendant Great American Insurance Company,

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are hereby dismissed with prejudice without costs, disbursements, or attorney fees awarded to any party identified above.

This order does not affect any pending claims against or by defendants Civic Partners, Inc., Civic Partners West, LLC, or Civic Partners Idaho, LLC ("Civic Entities"), or asserted against or by defendant Capital City Development Corporation ("CCDC").

DATED this ____ day of March, 2006.

_____
Judge Daniel C. Hurlbutt

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ATTACHMENT C

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JOINT PRESS RELEASE

University Place litigation settled.

(Boise) – The University of Idaho and the Consolidated Investment Trust (CIT), managed by the University of Idaho Foundation, will share in an $8.3 million dollar mediated settlement of legal disputes arising from the University Place real estate project. Attorney General Lawrence Wasden, the University of Idaho and its Board of Regents, the University of Idaho Foundation, Inc., and the other parties announced the settlement today.

The State Board of Education, acting as the University's regents, approved the settlement earlier today. The Foundation's board and Attorney General Wasden previously approved the agreement. The Attorney General has enforcement authority regarding charitable trusts and oversight authority over non-profit corporations.

The CIT, which consists of several University of Idaho endowments and which is managed by the University of Idaho Foundation, will receive approximately $5.8 million under terms of the settlement. In 2005, the Foundation initiated litigation to recover $12 million originally borrowed from the CIT as interim financing for University Place. The University joined in that action. Prior to today's settlement, the Foundation repaid more than one-half of the original loan. The settlement will extinguish the remaining principal and interest balance the Foundation owes to the CIT.

In addition to the CIT portion of the settlement, the University of Idaho will receive $2.5 million from the settlement funds to resolve all of the University's claims in the litigation. This payment will reimburse the University for some of the losses it incurred on this project.

The parties to the settlement are the University of Idaho Foundation and its directors, officers and volunteers; the University of Idaho; the University Regents; Attorney General Wasden on behalf of the Consolidated Investment Trust (CIT) and its beneficiaries; Great American Insurance Companies, the fidelity insurer for the University of Idaho and the University of Idaho Foundation; Philadelphia Indemnity Insurance Company, the directors and officers insurer for the University of Idaho Foundation; Attorneys Liability Protection Society, Inc., A Risk Retention Group ("ALPS") the insurers for the law firms and the attorneys; State of Idaho Department of Administration - Risk Management Group, insurer for the State of Idaho and its employees; the Givens Pursley LLP law firm and its attorneys Roy L. Eiguren, L. Edward Miller and Franklin G. Lee; the Elam & Burke law firm and its attorney Ryan Armbruster; former University of Idaho President Dr. Robert Hoover; and former University of Idaho Vice President of Finance and Administration Jerry Wallace.

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"The settlement follows months of factual investigation subsequent to the filing of lawsuits The settlement is an arms-length resolution reached in good faith after several days of negotiation with the help of a neutral mediator who has no ties to the project or any of the parties. The claims, counterclaims, and third-party claims arising out of University Place presented complicated issues of fact and law. The settlement is a reasonable resolution of an extremely complex matter, avoids substantial future litigation costs, and is in the best interest of the University community," the parties said in a joint statement.

The settlement extinguishes all claims that the parties have against each other, but is not an admission of fault or liability by any of its parties.

The Foundation's contribution to the global settlement fund is $2.5 million. The $5.8 million is being contributed by the parties' insurers. The amount contributed by or on behalf of any specific party by the private insurers is confidential and has not been disclosed to the Foundation, the University, the Regents or the Attorney General.

With this settlement, the Foundation has now reduced its losses associated with the University Place Project from over $26 million to less than $10 million.

The Honorable Terry Lukens, a retired Washington state court judge, acted as mediator. Judge Lukens is affiliated with JAMS, a nationwide company providing alternative dispute resolution services.

The Foundation's civil action against Civic Partners, which was the initial private developer and project manager for the University Place project, and Civic Partners' counterclaim against the Foundation are not part of the settlement and remain pending in state district court in Ada County.

- END -